

Instructions for Completing Form ACF-202 Caseload Reduction Report

A State wishing to receive a caseload reduction credit for FY 2007 or any year thereafter must complete and submit this report on behalf of the State agency administering the TANF program in accordance with these instructions. Please refer to 45 CFR 261 Subpart D for a detailed discussion of the caseload reduction credit and its requirements.

Due Date

This report must be submitted by the end of the first fiscal quarter. For example, the FY 2007 report (which compares the FY 2005 and FY 2006 caseloads) is due by December 31, 2006.

Submission

Submit the original to: Administration for Children and Families, Office of Family Assistance, 5th Floor East, 370 L'Enfant Promenade, S.W., Washington, D.C. 20447. Submit a copy to the appropriate ACF Regional Administrator.

The Paperwork Reduction Act of 1995

Public reporting burden for this collection of information is estimated to average 120 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.

Purpose

This report provides ACF with the information necessary to calculate a State's caseload reduction credit.

General Instructions

We have designed Form ACF-202 so that you can complete it electronically or manually. We do not currently have a mechanism for on-line completion of the report and need to receive a completed certification page with a valid signature. We would prefer to receive electronic copies of the report and an original certification page in hard copy but you may opt to submit the report in hard copy only.

Form ACF-202 consists of a table with room for narrative descriptions, a calculation worksheet, and a certification page. The calculation worksheet (Part 2 of the report) is a Microsoft Excel worksheet; the other parts are in a Microsoft Word document.

Each State must provide the public an opportunity to comment on the estimates and methodologies used to complete the Caseload Reduction Report.

- Enter the name of the State and the fiscal year to which the credit applies in the spaces provided. For example, enter "2007" for the credit that reduces the required work participation rate for FY 2007 and compares the FY 2005 base-year caseload to the FY 2006

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comparison-year caseload. Enter “2008” for the credit that reduces the FY 2008 required work participation rate based on the decline between the FY 2005 (base-year) and FY 2007 (comparison-year) caseloads. If you are completing the report electronically, you will only need to enter this information once for each part of the report.

- ▶ Indicate with a checkmark on the appropriate line at the top of the first page whether the report is an overall or a two-parent report. An overall report uses data for the entire caseload; a two-parent report uses only data for the two-parent caseload. If you are using the overall credit to apply to the two-parent rate, it is still an overall report.
- ▶ If you have opted to use separate caseload reduction credits for your State’s overall and two-parent participation rates, you must submit separate reports for each caseload. Indicate with a checkmark on the “yes” line at the top of the first page if you are applying the overall credit to the two-parent rate; otherwise, check the “no” line.

Instructions for Completing Part 1

- ▶ You must complete a separate Part 1 page for each change in eligibility criteria the State has made after FY 2005 that could cause the State’s caseload to decrease and for each eligibility change that caused a caseload increase if you wish us to use that increase to offset caseload decreases. (Please refer to 45 CFR 261.40 for more detail on this topic.) You may “bundle” eligibility changes whose effects you cannot separate from one another. In such case, you should complete a single Part 1 page for the combined changes.
 - ▶ We have provided 10 blank pages in Part 1 of the form for your convenience. If you have fewer changes to report, you may delete unnecessary pages. If you need additional pages, you may copy and paste the appropriate cells to extend the table or photocopy blank pages and insert them.
 - ▶ You should not list any eligibility changes the State has implemented in the fiscal year to which the credit applies, since this report looks at the effects of eligibility changes on the prior fiscal year caseload.
 - ▶ Please remember that the caseload reduction credit is based on changes both in the State’s TANF caseload and in any unduplicated separate State program caseloads claimed to meet the State’s maintenance-of-effort funding requirement (MOE); therefore you should be sure that the figures in this report reflect separate State program information as well as TANF program information. You should not consider the creation of a separate State program claimed for MOE as an eligibility change, since separate State program caseloads must be included in calculating the caseload reduction credit.
1. Enter the name of the eligibility change.
 2. Enter the implementation date of the eligibility change. A State might implement a change on one date, but not see any effect on the caseload until a later date. In that case you should enter the date you implemented the policy and explain the delay in item 4.

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3. Describe the policy relating to the eligibility criterion, particularly what changed from prior policy. For example, if the State raised the vehicle asset limit, you should make clear what the old limit was and what the new limit is. Or if, for example, your State now requires recipients to sign an Individual Responsibility Plan, be sure to explain that it is a new policy and what the consequences are for failure to meet it (e.g., denial of assistance, sanction). If you are describing a State time limit, include the number of months a family can receive TANF under the policy and what happens when the family reaches the limit.
4. Describe in detail the method you used to calculate the estimated average monthly impact of this eligibility change on the comparison-year caseload. The goal of this section is to make sure we understand how you arrived at the impact and can follow it through from beginning to end. You should describe the source of the data, what you did with those data to arrive at the impact, and how you accounted for the effect of the eligibility change over time. For example, if you count and track actual closures for a full-family sanction based on certain closures codes you should include that information in this section. If you use a proxy instead of tracking actual cases, you need to make clear what it is and why it is a good means of estimating for this eligibility change. For example if your State changes its earnings disregard policy, you might estimate the effect by comparing the percentage of cases receiving assistance that have earnings before and after the change.

Some estimating methods, such as a before and after calculation, will account for the full effect of a policy change on the caseload, but many others do not. When determining the effect over time, you should account for the effect both from month to month within a fiscal year and from one fiscal year to the next. In other words, the State's comparison-year caseload is still often affected by case closures or denials that happened months or even years earlier due to a given change in eligibility. For example, suppose a change in policy caused 50 cases to close in November 2006. Some or all of those cases would still be off the caseload in December 2006, January 2007 and so on, because of that policy change. In making this calculation, you may apply a reasonable decay factor (such as a recidivism rate) so that you do not overstate the ongoing effect and assume that all closures would have been in the caseload indefinitely. If you do this, you must explain what the decay factor is, how you derived it, and how you are applying it.

In estimating the impact of various eligibility changes, you should be sure that you have adjusted for any duplication in caseload impacts. In other words, there could be interaction among different eligibility changes that you should take into account to avoid overstating or understating the true effect of all the policy changes in your caseload. In such a case, you should describe your approach to this problem in this section.

Be sure to attach information necessary to document your calculations. If you need additional space to describe your method fully, you should attach additional pages.

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Using the Excel Impact Templates

As part of the Excel Workbook for Part 2 of this report, we have included impact templates to facilitate your calculations and accompany the methodology. You are not required to use these templates and some estimating methods would not fit well in them. If you do choose to use the templates, you should use a separate impact table (worksheet) for each change whose impact calculate in this way. Simply copy the template as many times as necessary into the workbook and rename the worksheets. The rows in the table represent the month of closure (or denial); the columns represent the months of the comparison year. The table includes formulas to calculate the total impact on each month and average those totals for the comparison year automatically. We have shaded cells in which no data should appear and protected the worksheets to help avoid errors. We have also included a sample impact table to make the templates easier to follow.

Note that some data (the State name and comparison year) have been linked to the Part 2 calculation worksheet so you will not have to enter the data more than once; that information will not appear until you complete the calculation worksheet. Refer to the instructions to Part 2 below for further information.

- Enter the name of the policy in cell A2 on the impact template. The State name will appear automatically in cell A1 when you complete the Part 2 calculation worksheet. The comparison year also will appear automatically in cells B4 and M23 when you complete that worksheet.
- Enter the impact data beginning in column B. For example, if the policy caused 50 cases to close in November of the comparison year, you would enter “-50” in cell C9, the intersection of the November row and the November column. Unless you are using a decay factor, you would then enter “-50” in cells D9 through M9, the December through September columns, because, in the absence of the policy change, those 50 cases would have been in the caseload for those months. Please refer to the sample impact table for a more in-depth example. In the sample table, the State of Columbia applied a decay factor to its full-family sanction impacts so that, of the 33 cases that closed in October, only 30 were still closed due to the sanction in November.
- If you are calculating impacts for the FY 2008 credit (comparison year FY 2007) or later, you may need to enter “carryover” impacts from the previous year. The sample impact table shows an impact of -81 cases on the October caseload carried over from the previous fiscal year. Typically, you would take the total from the September column of the previous fiscal year’s table, since each fiscal year begins with October. In the sample impact table included in the Excel workbook, the carryover for the following year would be -329, to which the State would apply its decay factor.
- Cell N23 automatically displays the average monthly impact for this eligibility change. Please refer to the sample impact table and contact ACF if you need assistance with this worksheet.

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5. Enter the estimated average monthly impact of this eligibility change on the comparison-year caseload that you calculated in item 4. Because an eligibility change could have either a positive or negative impact on the caseload, be sure to indicate clearly the effect of each change. If the impact was negative, include a minus sign in front of the number. If the impact was positive, include a plus sign in front of the number. **Note: do not enter a hard return when you enter the impact or you will have problems with the form.**

Instructions for Completing Part 2

- ▶ As in Part 1, enter the name of the State and the fiscal year to which the credit applies in the spaces provided in the Word document.
- ▶ Using the calculation sheet in the Excel workbook provided, again enter the name of the State and the fiscal year to which the credit applies in cells A1 and F1, respectively. It is important that you enter the fiscal year to which the credit applies correctly because other data in the workbook are linked to this cell. Remember, the credit year is the same as the year of the work participation rate that it reduces. For example, the FY 2007 credit uses the FY 2006 comparison year data to reduce the FY 2007 work participation rate. Enter only the four digits of the fiscal year. The worksheet is protected to help avoid errors in data entry.
- ▶ In column A – beginning in cell A7 – enter the name of each eligibility change that you listed in Part 1; enter the estimated impact you calculated for each in the corresponding cell in column B. If you need more space, you may insert additional rows below row 16 and above row 27. Be sure to use a negative sign with any impacts that that caused a caseload decrease.
- ▶ Cell B27 automatically calculates the net impact of all the eligibility changes (the cell number will change if you added more rows to the table).
- ▶ Enter your State’s average monthly TANF and SSP-MOE caseloads for FY 2005 in cells E7 and E8, respectively. These data should match the data you reported to us via the TANF Data Reporting System in Section 3 of the TANF and SSP-MOE data reports unless you have made corrections in accordance with 45 CFR 261.40(d). You should explain any such correction in your methodology in Part 1.
- ▶ Enter your State’s average monthly TANF and SSP-MOE caseloads for the comparison year in cells E10 and E11, respectively. These data should match the data you reported to us via the TANF Data Reporting System in Section 3 of the TANF and SSP-MOE data reports unless you have made correction in accordance with 45 CFR 261.40(d). You should explain any such correction in your methodology in Part 1.
- ▶ Excel will automatically calculate the total average monthly caseload for the base year (FY 2005) and the comparison year in cells E9 and E12, respectively, as well as your estimated credit in cell E16. Cell E13 will show the maximum credit your State could receive if you have no eligibility changes or a net positive effect of all changes. Remember that a State is not entitled to a greater credit than its actual decline between the base-year and comparison-year caseloads.

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Instructions for Completing Part 3

- ▶ As in Part 1, enter the name of the State and the fiscal year to which the credit applies in the spaces provided in the Word document.
- ▶ Enter the name and title of the individual making the certification on behalf of the State.
- ▶ Sign the certification. Although you may complete the form electronically, you must submit this page with the original signature to the Office of Family Assistance and a copy to the ACF Regional Administrator, as indicated above.

Attachments

- ▶ Be sure that all attachments are numbered and include the name of the State and fiscal year to which the credit applies and indicate that they are attachments to Form ACF-202.